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Approved For Release 2004/01/14: CIA-RDP75B00514R000100230004-7 SUBCOMMITTEE
HOME DEFICER.
ARMED SERVICES SUBCOMMITTEE A

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Congress of the United States

House of Representatives Washington, D.C. 20515 Washington office: 515 Cannon House Office Building 202-228-3031

the results

June 27, 1972

Mr. Richard Helms, Director Central Intelligence Agency Washington, D.C.

Dear Mr. Helms:

I am publicly releasing today substantial new evidence that indicates that U.S. pilots flying CIA-operated helicopters have been smuggling opium inside Laos. These allegations are contained in a letter and additional information that I have received from Mr. Alfred McCoy, author of a forthcoming book on heroin traffic in Southeast Asia. If these allegations are true, then the CIA is implicated in fostering the drug traffic that ruins the lives of tens of thousands of Americans.

I am writing to you today to request that you thoroughly investigate Mr. McCoy's allegations. Since Mr. McCoy obtained his information last summer, it is imperative to determine whether this kind of drug trafficking is still going on. A principal unanswered question which the CIA must resolve is: "At what level in the CIA were officials aware of this illicit drug traffic?".

I hope that you will report to of your investigation.

Thank you for your cooperat on.

Sincerely,

Les Aspin

Member of Congres

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23 June 1973

The Monorable Les Aspin Mouse of Representatives Washington, D. C. 20515

Dear Mr. Aspini

The Congressional Record of June 27, 1972, carries a letter addressed to me by you announcing your release of 'substantial new evidence that indicates U. S. pilots flying CIA operated helicopters have been smuggling opium inside Laos."

I have yet to receive your letter. Pending its receipt, however, I shall begin a thorough investigation of this alleged "new evidence" and will advise you in due course of the results. In this connection, I call to your attention the testimony of Mr. Nelson Gross, Senior Advisor to the Secretary of State and Coordinator for International Narcotics Matters, before the Congressional Inquiry Regarding International Narcotics Traific on June 9, 1972. He there quoted the Air America Managing Director's statement that Mr. Alfred McCoy's allegation before the Foreign Operations Subcommittee of the Senate Appropriations Committee that Air America aircraft have been transporting opium in Northern Laos on a regular basis is "utterly and absolutely false."

In the interim, I wish to relievate strongly what I have said publicly to the American Society of Newspaper Editors:

"There is the arrant nonsense that the Central Intelligence Agency is somehow involved in the world drug traffic. We are not. As fathers, we are as concerned about the lives of our children and grandchildren as are all of you. As an Agency, in fact, we are heavily engaged in tracing the foreign roots of the drug traffic for the Bureau of Narcotics and Dangerous Drugs. We hope we are helping with a solution; we know we are not contributing to the problem."

In addition, you will have no doubt noticed in the Congressional Record of June 2, 1971, that Congressman Charles Gubser cited a letter from Mr. John Ingersoll, Director of the Eureau of Narcotics and Dangerous Drugs, attesting to the fact that this Agency has taken a great number of steps against the narcotics trade. Further, we have issued the attengent instructions, and have most vigorously enforced them, to prohibit any imadvertent use of CIA facilities by narcotics smugglers.

In the light of these well-established positions, we find it disappointing to be subjected to the type of public allegation represented by graduate student McCoy's assertions of 'new evidence,' the innuendo in which can only dishearten CIA personnel of honor and integrity working against this nefarious trade.

I have taken the liberty of sending a copy of this letter to Congressman Gubser because of his interest in these matters.

Sincerely,

Ing Brokers Helica

Richard Helma Director

#### Distribution:

Original - Addressee (handcarried by OLC)

- 1 Congressman Gubser (handcarried by OLC)
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- I DDCI
- 1 ExDir
- 1 DD/P
- 1 OGC
- I OLG
- 1 C/FE
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3.				time he would like the views of the addressees on the following
4.				two questions:  a. Should a written reply be
5.				sent at this time?
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9.				Atts.
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DRAFT

22 August 1972

The Honorable Les Aspin House of Representatives Washington, D. C. 20515

My dear Mr. Aspin:

This is in reply to your letter of 27 June 1972 requesting that I thoroughly investigate certain allegations by Mr. Alfred McCoy to the effect that "U.S. pilots flying CIA-operated helicopters have been smuggling opium inside Laos." In response to your request, these allegations have indeed been thoroughly investigated by this Agency. These investigations have demonstrated that Mr. McCoy's charges are false and that the evidence he put forward is not supported by the facts.

In support of his charges Mr. McCoy cites an item in the <u>Washington</u>

<u>Post</u> of 23 July 1971 by Flora Lewis claiming I told a secret congressional hearing there had been CIA involvement in the illicit drug traffic but that it had stopped. I can assure you there has never been any CIA involvement in the drug traffic and I have never at any time stated there was such involvement.

I trust that these assurances will allay your concern regarding this important matter.

Sincerely.

Richard Helms

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DRAFT

The Honorable Les Aspin House of Representatives Washington, D. C. 20515

Dear Mr. Aspin:

In your letter to me of June 27, 1972, you requested that I investigate certain allegations by Mr. Alfred McCoy to the effect that "U.S. pilots flying CIA-operated helicopters have been smuggling opium inside Laos." These allegations were contained in Section IV of an undated paper sent to you by Mr. McCoy as an enclosure with a letter. In my letter to you of June 28, 1972, I advised you that a thorough investigation would be undertaken.

The findings of this investigation, which has now been completed, are that the "new evidence" supplied by Mr. McCoy is not "substantial" and that the allegations are unfounded. My conclusion is that the CIA has at no time allied with, abetted, or engaged in the narcotics traffic in Laos or anywhere else.

I note that the paper sent to you by Mr. McCoy quotes from an article by Flora Lewis in the July 23, 1971, issue of <a href="The Washington Post">The Washington Post</a> asserting: "Although only two months ago CIA director Richard Helms adamantly denied there had been any agency involvement in this traffic (drug trade in Laos), he is now said to have told a secret Congressional hearing that

there was involvement but it has stopped." I have no idea on what grounds Miss Lewis made this statement nor have I made any effort to ask her. I assure you that I made no such statement in a secret hearing, in a public forum, or anywhere else.

The CIA, fully aware of the cultivation and consumption of opium in Southeast Asia, took steps from its earliest days in the area to ensure that it would not be involved in any way in narcotics. When narcotics in Southeast Asia became a matter of concern to Americans as distinct from a local problem, the CIA joined in a variety of U.S. Government programs to attack it.

As you know, since 1969, the U.S. Government has engaged in a vigorous effort to stop the flow of opium and its derivatives to U.S. personnel serving in the Southeast Asian theater and to interdict the smuggling of narcotics into the United States. The personnel of the CIA have contributed significantly to this effort by providing intelligence support to law enforcement and diplomatic actions.

As the New York Times editorialized in its issue of August 18, 1972, after a study of the "World Opium Survey 1972!"

"With the discouraging -- even dismaying -- facts now available, national debate about how to handle the problem can proceed more intelligently." I heartily agree with this sentiment and hope that, instead of looking for scapegoats, the search for

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solutions to the tragic social problem of heroin addiction can proceed intelligently and objectively. I am sure you will agree that the CIA cannot be a party to this national debate, which rests largely in the hands of public servants such as yourself. You may be assured that the CIA will continue to meet its responsibilities, regardless of the false and irresponsible accusations which have been made against it.

Sincerely,

Richard Helms Director

DRAFT

The Honorable Les Aspin House of Representatives Washington, D. C. 20515

Dear Mr. Aspin:

In your letter to me of June 27, 1972, you requested that I investigate certain allegations by Mr. Alfred McCoy to the effect that "U.S. pilots flying CIA-operated helicopters have been smuggling opium inside Laos." These allegations were contained in Section IV of an undated paper sent to you by Mr. McCoy as an enclosure with a letter. In my letter to you of June 28, 1972, I advised you that a thorough investigation would be undertaken. In our investigation we carefully reviewed past and present CIA activities in Laos. We also interviewed, among others, the three Laotian individuals cited by name in Mr. McCoy's paper.

The findings of this investigation are that the "new evidence" supplied by Mr. McCoy is not "substantial" and that the allegations are unfounded.

Before dealing with our specific findings, let me make one observation which may help to place this matter in perspective. You will note from the recently published "World Opium Survey 1972" that, in all likelihood, most of the opium produced in Northwest Laos is consumed locally. As Northeast Laos has been largely under hostile control for

over two years, the production and distribution of opium from that region is and has been beyond the control of the Royal Lao Government.

Our specific findings are as follows:

As a result of our own investigation and after discussions with Air America officials, we have determined that Air America flights into Long Pot were so infrequent that they simply could not have supported any organized or substantial movements of opium or its derivatives. Individual smuggling attempts are always possible — as they are on any airline — but Air America has rules and procedures designed to prevent any narcotics smuggling on its aircraft.

Mr. McCoy states in his paper to you that "Air America's involvement /In transporting opium/ has been confirmed by Gen. Ouane and by Gen. Thao Ma..." A senior CIA official met with General Ouane Rathikoun on July 17, 1972, and again on July 25, 1972. With regard to the alleged involvement of Air America in opium trafficking, Ouane said on July 17 that this was absolute nonsense. Ouane observed that it would never have been necessary to use Air America given the availability of Royal Lao Airforce aircraft and commercial aircraft moving freely within the country. On July 25 Ouane reiterated his position and went on to say that if McCoy is attributing to him an allegation of Air America involvement in opium

trafficking then McCoy is lying, and he (Gen Ouane) is prepared to deny publicly and categorically the allegations attributed to him by McCoy.

General Thao Ma was interviewed by a CIA officer on July 24, 1972, and asked about possible Air America involvement in opium trafficking. Ma stated that he had heard only rumors of narcotics being carried on Air America aircraft but that he personally knew of no actual instances of such.

In Mr. McCoy's paper to you he went on to summarize the comments of one Ger Su Yang. This individual was invited to an interview with a CIA officer on July 11, 1972, and he came freely of his own accord. At no time during the conversation was he intimidated or threatened by anyone present. Ger Su Yang denied making the statement attributed to him by Mr. McCoy. Our appraisal of Ger Su Yang, however, is that his word is unreliable and that he might tell any interviewer, including Mr. McCoy, what he felt the interviewer wished to hear.

Finally, the paper sent to you by Mr. McCoy also quotes from an article by Flora Lewis in the July 23, 1971, issue of The Washington Post asserting: "Although only two months ago CIA director Richard Helms adamantly denied there had been any agency involvement in this traffic /drug trade in Laos7, he is now said to have told a secret Congressional hearing that there was involvement but it has

stopped." I have no idea on what grounds Miss Lewis made this statement nor have I made any effort to ask her. I assure you that I made no such statement in a secret hearing, in a public forum, or anywhere else.

My conclusion is that the CIA has at no time allied with, abetted, or engaged in the drug traffic in Laos or anywhere else.

The CIA, fully aware of the cultivation and consumption of opium in Southeast Asia, took steps from its earliest days in the area to ensure that it would not be involved in any way in narcotics. When narcotics in Southeast Asia became a matter of concern to Americans as distinct from a local problem, the CIA joined in a variety of U.S. Government programs to attack it.

As you know, since 1969, the U.S. Government has engaged in an unprecedented effort to stop the flow of opium and its derivatives to U.S. personnel serving in the Southeast Asian theater and to interdict the smuggling of narcotics into the United States. The dedicated personnel of the CIA have contributed significantly to this effort by providing intelligence support to law enforcement and diplomatic actions.

As the <u>New York Times</u> editorialized in its issue of August 18, 1972, after a study of the "World Opium Survey 1972:" "With the discouraging -- even dismaying -- facts

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now available, national debate about how to handle the problem can proceed more intelligently." I heartily agree with this sentiment and hope that, instead of looking for scapegoats, the search for solutions to the tragic social problem of heroin addiction can proceed intelligently and objectively. I am sure you will agree that the CIA cannot be a party to this national debate, which rests largely in the hands of public servants such as yourself. You may be assured that the CIA will continue to meet its responsibilities, regardless of the false and irresponsible accusations which have been made against it.

Sincerely,

Richard Helms Director